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FOR IMMEDIATE RELEASE

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**SUPERSEDING INDICTMENT CHARGES KABONI SAVAGE, LEADER
OF DRUG RING, WITH THREATENING WITNESSES**

**Savage One Of Six Remaining Defendants In Cocaine Trafficking And Money
Laundering Conspiracy Charged In Second Superseding Indictment**

PHILADELPHIA – Patrick L. Meehan, United States Attorney for the Eastern District of Pennsylvania, and John C. Eckenrode, Special-Agent-in-Charge of the Philadelphia Office of the Federal Bureau of Investigation (FBI), today announced the return of a second superseding indictment¹ against the remaining six (out of twenty) defendants who allegedly ran a major cocaine trafficking ring that was active in the Philadelphia area at various times between 1999 and 2003. Although the indictment continues to charge the remaining defendants with federal crimes ranging from narcotics trafficking and illegal possession of firearms to money laundering, the new indictment charges the leader of the drug ring, Kaboni Savage, with threatening and intimidating witnesses against him.

“Witnesses help us get to the truth and the truth is a threat to violent drug organizations that hold neighborhoods hostage,” said Meehan. “They will use all sorts of scare tactics and intimidation to prevent cooperation and that is something that we simply cannot tolerate. When people are afraid to come forward, it limits our ability to make these neighborhoods more livable, which is why we take this so seriously and also why the penalties are so severe.” If convicted of threatening and threatening to retaliate against witnesses, Savage could receive an additional sixty years in prison.

The 24-count indictment in **United States v. Kaboni Savage, et al.**, Criminal No. 04-269, supersedes the indictment returned on May 19, 2004, against Kaboni Savage, Gerald Thomas, and eighteen others. To date, fourteen of the originally charged defendants have pleaded guilty before the Hon. Mary A. McLaughlin in U.S. District Court. Thirteen of those defendants are presently awaiting sentencing. In the indictment announced today, Count One continues to charge Kaboni Savage, Gerald Thomas, Steven Northington, James Walker, and Derek Russell with conspiracy to manufacture and distribute more than five kilograms of cocaine

¹An indictment is an accusation. A defendant is presumed innocent unless and until proven guilty.

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and more than 50 grams of cocaine base, in violation of 21 U.S.C. §§ 846 and 841(a)(1) and (b)(1)(A). Count Two charges Thomas and Stein with conspiracy to commit money laundering, in violation of 18 U.S.C. § 1956(h). As a result of additional evidence presented to the grand jury, the money laundering conspiracy now dates back to September 1994 (a five-year expansion) and includes additional money laundering transactions. Count Three charges Stein with an additional count of money laundering, in violation of 18 U.S.C. § 1957. Counts Four through Eight continue to charge Savage with money laundering, in violation of 18 U.S.C. § 1956(a)(1). Count Nine also charges Northington with money laundering, consistent with the first superseding indictment. Counts Ten through Twelve charge firearms violations (as in the first indictment) against Savage and/or Northington.

In Counts Thirteen through Eighteen, the grand jury has brought new charges against Savage for threatening to kill witnesses and their families – Counts Thirteen through Fifteen charge Savage with threatening witnesses, in violation of 18 U.S.C. § 1512(a)(2)(A), while Counts Sixteen through Eighteen charge him with threatening to retaliate against witnesses, in violation of 18 U.S.C. § 1513(b)(2). In addition, Counts Nineteen through Twenty-Four charge Thomas, Savage, Russell, and Walker with various counts of use of a telephone in facilitation of a drug trafficking offense, in violation of 21 U.S.C. § 843(b). Finally, pursuant to the forfeiture provisions of federal law, the government will seek to forfeit real estate, cars, and money that constituted the criminal proceeds of the drug trafficking organization, or that helped facilitate the money laundering activities of the organization.

According to the indictment, Thomas and Savage managed and supervised the Thomas-Savage Organization, which distributed hundreds of kilograms of cocaine obtained from multiple suppliers in Pennsylvania, New York, and Florida. The organization dealt mostly in kilogram quantities of cocaine, although they also occasionally sold crack. The organization enhanced its profits by cutting and re-compressing the cocaine they obtained, before selling the re-compressed cocaine to its customers and mid-level distributors. With the assistance of Stein, certain members of the drug ring laundered and concealed drug profits by acquiring or leasing real estate and cars in false names or the names of third parties. The indictment alleges that Kaboni Savage and other members of the drug organization would occasionally employ violence to protect drug profits, to collect drug debts, and to further the objectives of the conspiracy. In the months following his indictment on federal drug charges in May 2004, Savage allegedly threatened to kill certain witnesses or their family members, both in an effort to silence those witnesses and in retaliation against their cooperation with authorities.

If convicted of the drug trafficking conspiracy, each of the five defendants charged in Count One faces a maximum penalty of life imprisonment, and a mandatory minimum sentence of at least ten years in prison, and several million dollars in fines. If convicted of the money laundering charges, defendant Melvin Stein faces a maximum penalty of thirty years in prison and a \$750,000 fine. If convicted of threatening and threatening to retaliate against witnesses, Savage could receive an additional sixty years in prison.

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United States Attorney Meehan and Special-Agent-in-Charge Eckenrode commended and expressed appreciation for the assistance provided to the FBI and the U.S. Attorney's Office by the Philadelphia District Attorney's Office, the Philadelphia Police Department – Narcotics and Major Crimes Divisions, the Internal Revenue Service, and the Drug Enforcement Administration.

Prosecution of this case has been assigned to Assistant United States Attorney Mark J. Ehlers of the Organized Crime Division of the United States Attorney's Office, and to Special Assistant United States Attorney Gregory C.J. Lisa of the U.S. Department of Justice, Organized Crime and Racketeering Section.

INFORMATION REGARDING THE DEFENDANTS

NAME	ADDRESS	DATE OF BIRTH
Gerald Thomas	Clementon, NJ	5/22/49
Kaboni Savage	Philadelphia, PA	1/1/75
Steven Northington	Philadelphia, PA	1/25/72
Melvin Stein	Fort Washington, PA	6/4/45
James Walker	Philadelphia, PA	3/24/45
Derek Russell	Philadelphia, PA	9/11/69

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